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SENSITIVE, SIPDIS

FROM AMBASSADOR LEBARON FOR U/S KENNEDY

E.O. 12958: N/A

TAGS: [AFIN](#) [AMGT](#) [MG](#)

SUBJECT: SCENESETTER FOR U/S KENNEDY

¶1. (U) Embassy Doha welcomes your visit to Qatar.

¶2. (SBU) Your visit is one of great importance to us, as it signals top management concern for our Embassy at a time where we are building a strategic partnership with Qatar to implement the President's vision of a new beginning with Muslim communities. We understand that the primary purpose of your visit is to provide consultation and advice on integrating ILiAD with U.S. Embassy operations. Accordingly, we discuss ILiAD immediately below, followed by other internal issues. Paragraph 18 identifies the key areas where we seek your help. We end with a brief (unclassified) assessment of the U.S.-Qatar relationship.

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INTEGRATED LINGUISTIC ACTIVITY DOHA (ILiAD)  
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¶3. (SBU) The Integrated Linguistic Activity-Doha (ILiAD) is the US government's premier Middle East regional center for linguistic expertise. It is a confederation of three USG agencies:

- DIA Combined Media Processing Center-Qatar (CMPC-Q)
- DNI Open Source Center-Doha (OSC-D)
- FBI National Virtual Translation Center-Qatar (NVTC-Q)

¶4. (SBU) The ILiAD collects foreign materials and publicly available information. It also delivers accurate translations services for national and operational customers. Finally, it provides extensive news monitoring throughout the Gulf and Yemen.

¶5. (SBU) As you know, we are in the process of finalizing a Memorandum of Understanding (MOU) to bring ILiAD's operations fully under Chief of Mission (COM) authority, at ILiAD's request. We look forward to reviewing the current draft with you and seek your support and advice on finalizing an agreement.

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EMBASSY STAFFING ISSUES  
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¶6. (SBU) Embassy Doha has grown markedly since the start of Operation Iraqi Freedom in 2003. Beginnings in 2005 three new agencies have joined the Mission - Foreign Commercial Service (FCS), Legal Attache (LEGATT), and Open Source Center - and existing staff has grown. However, our needs are now even greater, and developing our Embassy requires sufficient American and LES human resources to accommodate our Mission's growth.

¶7. (SBU) The positions of Financial Management Officer and Human Resource Officer are currently combined. In response to a June 18 NEA inquiry into splitting the positions, Embassy Doha concluded that the growth of the U.S. presence in Qatar has substantially increased workloads to the point that splitting these positions is warranted.

18. (SBU) In Doha's 2011 Mission Strategic Plan (MSP), Post reiterated the need for the following American and LES positions:

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AMERICAN POSITIONS  
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-- An additional State Public Diplomacy Officer in the Public Affairs Section will permit the Mission to expand Qatari-funded exchange programs, deepening the human relationships that are the core of the bilateral relationship in every field.

-- Because the Embassy's sole Economic Officer can no longer manage the ever growing demands generated by the bilateral energy and financial relationships, we are requesting an additional Economic Officer.

-- The need for additional consular staff is also clear and we seek the addition of an American Vice Consul.

-- Beyond traditional State Department staffing, Embassy Doha's Legal Attache is at the center of the Mission's law enforcement cooperation and, here too, the growing workload suggests we need an Assistant Legal Attache as soon as possible.

-- And as the security workload has increased, the Embassy requires another Assistant Regional Security Officer.

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LES POSITIONS  
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-- Currently, Doha lacks an employee who is responsible for meeting the Department's requirements for property inventories. In accordance with FAM regulations, Doha must establish a LES NEPA Clerk position to fulfill these responsibilities.

-- The increased demands of the CENTCOM forces in Qatar, combined with a growing security assistance portfolio, require a new driver and new translator to support the Senior Defense Representative and the OMC and DAO functions he will supervise.

-- In addition to the one American Consular Officer position, LES Consular Assistant and Consular Pre-Screener positions are needed. These two LES positions were requested in the 2011 MSP.

-- Without a doubt, rapid growth in Qatar and its motivation to become a key regional player have increased the workload on Mission Doha. Consequently, the Human Resources Office (HRO) requires additional manpower to support the increased number of US agencies present in Doha. In particular, HRO requires one additional HRO Clerk to provide administrative support.

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LES COMPENSATION ISSUES  
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19. (SBU) Achieving goals outlined in the most recent 2011 MSP would be impossible without competent and motivated personnel, both Americans and FSNs, to staff our Mission. Doha just learned from HR/OE that we are scheduled for a September 2009 salaries and compensation review by Birches Group.

110. (SBU) LE Staff Compensation in Doha continues to be an extremely sensitive matter. Doha's LE Staff feel they are underpaid. Post Management now believes (after two salary increases this fiscal year) that LE Staff base pay is currently above the most recent 2008 comparator organization survey results.

111. (SBU) Local staff report that the cost of housing and the general increase in prices is their number one concern. A survey by Embassy Doha's Financial Management office revealed that from 2005-2006, LES paid an average of 167 percent of their housing allowance for housing, or two-thirds more than they receive from Post. Likewise, inflation over the same period caused a 15 percent rise in the costs of other expenses beyond salary increases. A separate analysis revealed that from 2001-2007, LES salaries increased between 9-24 percent (depending on grade), with an average

increase across all grades of 17 percent. At the same time, however, Qatar's inflation was over 50 percent during the same time period, while rents increased by at least by 116 percent.

¶12. (SBU) In July 2006, a State/HR Comprehensive Wage Survey revealed that the Embassy's salary and benefits packages lagged far behind the local comparators surveyed. This evidence suggests that other employers in Qatar are responding faster to demands for higher salaries because of their greater flexibility to respond to market forces. Embassy Doha employs 95 LES from 21 countries, but not a single Qatari. Many LES have lived in Qatar for years, whereas others came more recently, lured by financial opportunities. However, what seemed a profitable opportunity several years ago has turned into a financial burden with many employees in debt and struggling to make ends meet.

¶13. (SBU) Last year we reached a "tipping point" when working in Doha stopped being financially profitable for most of LES, and we lost many valued employees with years of experience as a result. The only thing which has saved Embassy Doha so far from losing more LES to other employers is the difficulty of transferring sponsorship under Qatari law and the fear of deportation if a sponsorship transfer request is denied by Qatar labor authorities. Ironically, pressing Qatar for liberalization of its sponsorship rules is one of Embassy Doha's top human rights priorities.

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CHANCERY LEASE  
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¶14. (SBU) The Embassy currently does not own property in Qatar and thus must rent. The current leased compound, dating from 1999, is approaching capacity, and every time a modification is made for operational or security reasons - such as the addition of the Marine House in 2005 - future rent increases. Because land prices are the principal driver of construction costs in Qatar, the long-term solution for Embassy Doha is to seek property at no cost from Qatar's Government on which would be built a USG-owned Embassy compound with money appropriated by Congress. As real estate prices in Qatar's will only get higher as the country continues its torrid pace of development, Embassy Doha submitted an estimate for the construction of a new embassy compound in FY2008 with the goal of having Doha placed on the priority list for the Office of Overseas Buildings Operations in FY2009. Even prior to FY-2008, Doha requested OBO to consider the Embassy for replacement.

¶15. (SBU) The Chancery was first leased on January 8, 1999 at USD 1,200,000. The annual rent increased from USD 1,200,000 to USD 2,000,000 as per agreement by appraisers appointed by USG and the Landlord. In 2006, Embassy Doha requested a new embassy compound, which was rejected due to the lack of funding in OBO at that time. Although we have (barely) enough space to accommodate the new requested positions, future expected growth cannot be accommodated absent substantial construction to our current leased facility or the construction of a new, larger building.

¶16. (SBU) Post Management has learned through sources close to the current Chancery Landlord that there are plans to double the USD 2 million lease payment when the present lease contract expires on January 7, 2011.

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DOHA NEW EMBASSY COMPOUND (NEC)  
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¶17. (SBU) The Mission has urged the Government of Qatar to identify a parcel of land to donate to the U.S. Government to construct a new Embassy and Chief of Mission Residence, replacing the existing short-term leased properties. When we receive permission, MGT will work with the Office of Overseas Building Operations to develop and approve a construction plan on a USG-owned property that would improve the quality of life in the work place for staff and increase staff security and customer service for those operations that deal heavily with the public.

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HOW YOU CAN HELP EMBASSY DOHA  
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¶18. (SBU) Your efforts to finalize rapidly an MOU to bring ILIAD's operations under COM authority would be appreciated. In addition:

-- We seek your help in persuading OBO to identify funding for a NEC in Doha and move quickly to build/complete it. The need for this will only grow as the costs of leasing our current space continue to soar. Since a new NEC is years away, as an interim solution we seek your support for a space planning assessment of how best to maximize space in our current Chancery.

-- We also look to you for funding to bring on board additional American staff, as referenced above and previously requested in our MSP.

-- Ultimately, our greatest current need is to improve the compensation package for our LES. Your assistance is critical in scheduling a survey team to visit Doha as soon as possible and finding funding to fill the gaps we expect that survey to identify.

In summary, you are coming to Doha at a time when the Government of Qatar has a heightened awareness of its energy resources' importance to other countries. Doha is clearly growing rapidly, and as such, a new Embassy Compound is now a necessity; not a "wishful thought". With the influx of USG agencies establishing a presence in Qatar, the current facility no longer is sufficient. The sections immediately below explain why.

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A GROWING QATAR HAS LED TO A GROWING EMBASSY  
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¶19. (SBU) U.S. and Qatari approaches to regional issues sometimes differ, but the U.S. has a strong interest in working with Qatar to develop a relationship based on shared principles.

¶20. (SBU) The Embassy will pursue this objective by continuing to engage Qatari officials on a range of foreign policy issues, including Iraq, Iran, and Arab-Israeli peace. In support of U.S. policy in Iraq, we will continue our efforts to persuade Qatar to formally forgive Iraq's debt, expand diplomatic relations, and take other public steps to show support for the Iraqi government. More broadly, we will encourage Qatar to be a generous and responsible provider of foreign assistance in the Middle East and beyond.

¶21. (SBU) U.S. businesses play an important role in Qatar, which is now one of our largest trade and investment partners in the region, and about 100 U.S. firms now operate in Qatar.

¶22. (SBU) Though our current strategic military relationship with Qatar is only about a decade old, our two countries are now bound together closely and will only become more important to each other as Qatar's wealth, U.S. energy needs, and bilateral security interests grow. Our strategic relationship has had a considerable impact on Embassy Doha's goals and priorities, and the accompanying fiscal and personnel needs must be addressed in FY 2010 and beyond.

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The U.S.-Qatar Relationship  
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¶23. The breadth and depth of Qatar's relationship with the U.S. is impressive, especially for a country the size of Connecticut, with roughly two million inhabitants, of whom only about 225,000 are actually Qatari citizens.

-- Because it is so small and its energy resources so large, Qatar now has an annual per capital income of over \$70,000 (one of the highest in the world). Qatar's national revenues will continue growing despite the global economic crisis, although their upward trajectory will be moderated by a drop in commodity prices.

-- The U.S.-Qatar economic relationship is vital. U.S. energy companies have invested tens of billions of dollars in the oil and gas industry here. Qatar, which holds the third largest natural gas reserves in the world after Russia and Iran, is expected to become in 2010 one of the most important suppliers of liquefied natural gas

(LNG) to the U.S. market.

-- Our educational and cultural relationship with Qatar is strong and growing. Qatar has committed itself like few other Arab states to modernizing its educational system, and has turned decisively to the United States for help. Qatar has imported branch campuses of six U.S. universities, including Texas A&M, Carnegie-Mellon, Weill-Cornell Medical School, Georgetown, Virginia Commonwealth and Northwestern. At the elementary and secondary levels it is instituting a U.S. model of charter schools.

-- Al Jazeera, the television network with an Arabic-speaking audience of some 60 million and a potential English-speaking audience of 100 million, is based in Doha and funded by the State of Qatar. The network's coverage, particularly by its Arabic service on issues important to the United States, has long been an irritant in our bilateral relationship. We nevertheless recognize the value of USG officials appearing on Al Jazeera in order to ensure that official U.S. voices are heard in the Arab world and broader region.

LEBARON